Malaysia Standards on Halal Logistics

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Scope

- Introduction
- Halal Logistics Standard MS2400:2010
  - Distribution
  - Warehousing
  - Retailing
- Summary
Basic Concept

• The underlying principle for a Muslim diet is
  – food has to be *halal* (*permissible*) and *thoyyiban* (wholesome: healthy, safe, nutritious, quality)

• All food are Halal except a few mentioned in the Quran (pork, blood, carrion and those animals slaughtered without the name of Allah)

• Halal = not poisonous, not intoxicating and non hazardous to health
HALAL LOGISTICS: DEFINITION

A process of planning, implementing and managing the efficient, seamless flow and storage of:

- **HALAL** certified raw materials,
- **HALAL** semi-finished or
- **HALAL** finished goods

from source to demand point, ensuring full compliance of the recognized **HALAL** Logistics Standards throughout the process.
HALAL LOGISTICS EMBEDDED IN THE HALAL SUPPLY CHAIN

**SEA & AIR FREIGHT**
- HALAL consignment from country of origin
- HALAL inbound documentation
- HALAL local authority approval
- HALAL order processing & management
- HALAL multimodal transport operator

**CUSTOMS BROKERAGE**
- At all domestic seaports, airports, land entrance and exit points
- At all international seaports, airports, land entrance and exit points

**CONTAINER HAULAGE**
- Fleet management according to HALAL logistics processes
- Road & Rail distribution
- Hazardous goods haulage
- Heavy lifts handling & transportation
- Cross-border
- Open yard storage
- Container storage

**WAREHOUSE MANAGEMENT**
- HALAL warehouse management operational processes & procedures
- Bonded facilities
- Capacity, load & route planning
- Cross-docking
- Cargo consolidation
- RF capabilities

**SEA & AIR FREIGHT**
- HALAL consignment to country of destination
- HALAL outbound documentation
- HALAL local authority approval
- HALAL order processing & management
- HALAL multimodal transport operator
MALAYSIA HALAL LOGISTICS STANDARDS

1. MS 2400-1:2010 (P) Halalan-Toyyiban Assurance Pipeline – Part 1: Management System Requirements for Transportation of Goods and/or Cargo Chain Services

2. MS 2400-2:2010 (P) Halalan-Toyyiban Assurance Pipeline – Part 2: Management System Requirements for Warehousing and Related Activities

3. MS 2400-3:2010(P) Halalan-Toyyiban Assurance Pipeline – Part 3: Management System Requirements for Retailing
MALAYSIAN STANDARD

HALALAN-TOYYIBAN ASSURANCE PIPELINE - PART 2: MANAGEMENT SYSTEM REQUIREMENTS FOR WAREHOUSING AND RELATED ACTIVITIES

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DEPARTMENT OF STANDARDS MALAYSIA
CONTENT

1. Scope
2. Terms and definitions
3. Requirements
4. Preliminary steps to enable risk management process
5. Operations of the Halalan-Toyyiban Risk Management plan
6. General requirements for premises, infrastructure, facilities and personnel
7. Maintenance of the Halalan-Toyyiban Assurance Pipeline
1. SCOPE

- Provides practical guidance for the food industry on the preparation and handling of Halal food (including nutrient supplements)
- To serve as a basic requirement for Halal food product and food trade or business in Malaysia
HTAPS: Introduction

The Halalan-Toyyiban Assurance Pipeline

• links producers of products, goods and/or cargo with consumers.

• provides assurance that products, goods and/or cargo delivered from one custodian to another is in accordance with Halalan-Toyyiban requirements

• preserves the Halalan-Toyyiban integrity of the products, goods and/or cargo.
HTAPS: Principles

1) To uphold the halal integrity of goods across the supply chain from farm to fork
2) Avoidance of contamination
3) Ensure consumables are safe for consumption or use.

- All 3 principles require a proactive, anticipatory, integrated management approach
HTAPS: How is it done

- Risk management approach; risk factors at the HT (Halalan Toyibban) control points are monitored and control measures applied and implemented to prevent or eliminate a product safety hazard or reduce it to an acceptable level.

- synonymous to the concept of HACCP (hazards analysis critical control point)
**HTAPS: Structure of the Halalan - Toyyiban Standards**

- **Product Categories**
- **Syariah Elements**
- **Production standards**
  - MS 1500
- **Pipeline Standards**
  - Based on Selected SOPs from Practitioners
  - Contamination Avoidance
  - Standards are at Strategic and Tactical Level
  - Operational Level reflected through Revised SOP of Participant

**4. Product Handling Standard – Specific Pipeline Standards**
- **Transportation**
- **Warehousing**
- **Packaging**
- **Retailing**

**Selected SOP**

**Participant**

**Management Standards**
- MS 1900

**Value standards**
- ISI 2200

**Revised SOP**
HTAPS Application of Standards to Participants

Producer

Product Handling Standards: MSnnnn Series

Production Standards: MS 1500 Series

Value Standards: ISI 2020

Management Standards: MS 1900

Warehousing
Packaging
Retailing
Transportation

consumer
HTAPS: Product Handling Process Flow

Producer

Transportation (T)
Warehousing (W)
Packaging (P)
Retailing (R)

Consumer

Product Handling Process Flow
The *Halalan-Toyyiban* Assurance Pipeline is translated into a set of Management System Requirements Standards which comprise the following:

- Transportation of goods and/or cargo chain activities
- Warehousing and related activities
- Retailing
HTAPS: 3 Component standards

**MS 2400-1:2010 (P)**
HALALAN-TOYYIBAN ASSURANCE PIPELINE - MANAGEMENT SYSTEM REQUIREMENTS FOR TRANSPORTATION OF GOODS AND/OR CARGO CHAIN SERVICES

**MS 2400-2:2010 (P)**
HALALAN-TOYYIBAN ASSURANCE PIPELINE - MANAGEMENT SYSTEM REQUIREMENTS FOR WAREHOUSING AND RELATED ACTIVITIES

**MS 2400-3:2010 (P)**
HALALAN-TOYYIBAN ASSURANCE PIPELINE - PART 3: MANAGEMENT SYSTEM REQUIREMENTS FOR RETAILING
Halal compliance

• In accordance to the syariah principles of Islam: as specified in MS 1500:2009
• Thoyibban: wholesomeness, goodness, statement of quality:
• Quality in nutrition, aesthetic appeal, functional, performs as expected, safety guaranteed, organoleptic quality is excellent
• Products are not contaminated, adulterated, spoiled, denatured, undergone degradation.
HTAPS: Standards, Procedures and Certification

- Standards: general guidelines, non-prescriptive. Shall vs should.
- Procedures: derived from general guidelines of standards, but business specific applications.
- Certification: based on audit inspection process to ascertain compliance with criteria assessment factors as derived and formulated from the general guidelines.
HTAPS: Product Standards vs Management System Standards

• Product standards: retrospective: mainly based on ingredients and what is packaged into the product: historical.

• Management system standards: daily practice being evaluated to project future outcome; service standard. Anticipatory and prevention in approach.
HTAPS: Claims by organization

- No recognition provided as halal transportation, warehousing, or retailing.
- Recognition given for the ability of the organization to demonstrate compliance to the required HTAPS from an integrated management system.
HTAPS: type of products?

Halal products only?

No.

- Businesses cannot be performed in isolation
- Probably non viable at this juncture
- In future: possible
- Standards set the minimum requirements. Entrepreneur’s discretion to achieve higher goals.
HTAPS: why create the standard?

• Due to incidences of contamination, adulteration and spoilage
• Transportation: temperature induced spoilage
• Cases of soiled containers
• Uncertain halal status of container: previous cargo was suspect.
• Warehouse: general building and storage conditions not suitable for light sensitive materials: eg ingredients, or cosmetic formulations
HTAPS: Why create the standard?

Retailing
RTE foods: preparation, handling and storage
Cross flow of carcass of livestock and finish products: common pathways for material transport
Non halal products found on shelf of Halal products.
Unloading times and cold chain transfer is prolonged.
HTAPS: Sections of the standard

1) introduction
2) terms and definition
3) Management responsibilities
4) preliminary requirements
5) operations of the HTAPS
6) GHP and GMP
7) maintenance of the system
HTAPS: HACCP principle

• Conduct a hazard analysis.
• Determine the critical control points (CCPs).
• Establish critical limits.
• Establish monitoring procedures.
• Establish corrective actions.
• Establish verification procedures.
• Establish record-keeping and documentation procedures.
HTAPS: Implementation

• Acquire relevant standards
• Engage a consultant (optional)
• Initial presentation and discussion on HTAPS
• Development of Halal policy and objectives as demonstration of management commitment.
• Formation of Halal committee and identifying training needs
• Assessment of current practices and corresponding documentation
• Analysis of pre-requisite: GMP and GHP
HTAPS: Implementation

- Process mapping and development and verification of flow chart
- Risk assessment and analysis of operations
- Identification of risk factors
- Determination of critical control points
- Establishment of CCP limits
- Establishment of control measures, and corrective actions in cases of deviations from controls.
- Verification activities, procedures and records.
- Maintenance of system
HTAPS: Moving forward; Adoption and implementation
HTAPS: Farm to fork visionary aspiration

Reality: utopian, optimum, ideal and uncompromising condition within the Halal industry.
Shared Responsibility (Smart Partnership)

The need to work together between the government, the industry and the consumers as smart partners in making Malaysia the World Halal Hub.

- **The government** as the regulator and the policy maker
- **The industries** and the retailers are accountable for halal products they produce or distribute
- **The consumers** are educated and have access to halal information and labelling during product purchase (informed choice)
SUMMARY

• Integrity of Halal products from farm to fork is important and made possible by certification

• Halal certification plays a major role in domestic and international Halal market. It gives confidence to consumers, increase revenue to the manufacturers and enhance good image to the country.

• Malaysian Halal Standard is common reference for industries to reap the economic benefit, hence increase country economy and facilitate international trade

• Halal Training – important for human resource development in the Halal industry
Thank You and Wassalam

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